

THE STATE OF ARKANSAS 1915(b) PROGRAM

Project Name: Arkansas Medicaid Non-Emergency Transportation (NET) Program (AR03.R01)

Initial Approval Date: December 4, 1997

Most Recent Renewal Date: August 23, 2001

Expiration Date: August 22, 2003

PROGRAM SUMMARY:

The Arkansas Non-emergency Transportation (NET) Program is a selective contracting transportation broker program operated directly by the Division of Medical Services, Arkansas Department of Human Services (the State's Medicaid agency) under authority of Section 1915(b)(4) of the Social Security Act. In order to operate the waiver the State has been granted a waiver of Section 1902(a)(23) (Freedom of Choice). The waiver operates statewide. This waiver allows the state to contract with brokers to provide non-emergency transportation to all Medicaid beneficiaries except those living in nursing homes or ICF/MRs, those who have Medicare coverage, except for purposes of Medicaid-only services (Qualified Medicare Beneficiaries (QMBs) are excluded), and children eligible for services through ARKids First program. The State contracts with Medicaid Managed Care Services (MMCS), a division of the Arkansas Foundation for Medical Care (AFMC), to conduct recipient satisfaction surveys, to establish and staff a toll free help line to assist recipients, brokers, and health care providers, to track and report on inquiries and issues to DMS on a weekly basis, and to develop and distribute informational post cards, brochures, and fliers. The independent assessment has been prepared by the Center for Outcomes Research and Effectiveness (CORE) at the University of Arkansas for Medical Services. When the program is operational statewide, the State projects 222,260 Medicaid beneficiaries will be enrolled in this program.

HEALTH CARE DELIVERY:

Beneficiaries are required to use the contracted broker in order to obtain non-emergency transportation services. The State has selected, through a competitive procurement process, one broker to operate the program within each of the state's 12 regions. Arrangements for transportation must be requested 48 hours in advance, must be medically necessary, must be to a Medicaid reimbursable service and must be the beneficiaries' only means of transportation. Each of the 12 brokers are responsible for verifying eligibility, scheduling transportation services, providing quality non-emergency transportation service within their region, and ongoing monitoring.

BENEFIT PACKAGE:

Non emergency transportation only.

EXCLUDED SERVICES:

Emergency and family planning services will not be restricted under this waiver.

LOCK-IN PROVISION:

Not applicable

ENROLLMENT BROKER:

Not Applicable

COST EFFECTIVENESS/FINANCIAL INFORMATION:

Costs without the waiver were projected forward from a FY97 base year adjusting for changes in utilization, characterization of affected beneficiaries, changes in payment rates or methodologies, and changes in other State policies to arrive at a projected cost of \$22,416,629. Costs with the waiver are based on a monthly capitation rate of \$3.10 per eligible per month which works out to \$11,739,487 in the first year of the waiver and \$3.32 per eligible per month which works out to \$10,477,142 in the second year of the waiver. After deducting \$200,000 in additional cost as a result of the waiver the program is expected to save \$15,411,113 (or 40.95%) during the waiver period.

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